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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

DA 92-1411

In the Matter of

United Telecommunications, Inc.
Revisions to Tariff F.C.C. No. 5

)
)
) Transmittal Nos. 300, 302 and 303
)
) CC Docket No. 92-236 ✓
)

MEMORANDUM OPINION AND ORDER

Adopted: October 9, 1992; Released: October 9, 1992

By the Chief, Common Carrier Bureau:

I. INTRODUCTION

1. On August 14, 1992, United Telecommunications, Inc. (United) filed Transmittal No. 300, to offer an out-of-band signalling service using Signalling System 7 (SS7). In addition, United plans to extend its existing Common Channel Signalling (CCS) Interconnection Service to other jurisdictions. United currently provides this service only in Tennessee.¹ Transmittal 300 is scheduled to take effect on October 13, 1992.

2. According to United, out-of-band signalling will offer customers more efficient use of the switched access network, faster call set-up and completion, fraud reduction, and a greater capability to support new services.² United plans to establish two subelements for its CCS interconnection charge. The first subelement is an Access Link Charge, designed to recover the costs of a 56 kilobit per second (kbps) channel connecting the out-of-band signalling customer's premises with United's Signal Transfer Point (STP). The second subelement is the STP port charge, designed to recover the costs of the physical port in United's STP.³ MCI Telecommunications Corp. (MCI) filed a petition to reject or suspend and investigate Transmittal 300, and United filed a reply. For reasons set forth below, we grant MCI's petition in part and suspend Transmittal 300 for one day, in order to initiate an investigation of United's STP port charge element of its CCS interconnection charge.

¹ See United Telecommunications, Inc., Transmittal No. 287, effective Jan. 1, 1992. See also Local Exchange Carrier Line Information Database, Order, 7 FCC Rcd 525 (Com.Car.Bur. 1991) (LIDB Investigation Order).

² United Description and Justification (D&J) at 1-4 to 1-5.

³ Id. at 1-7 to 1-8.

II. PLEADINGS

3. MCI considers it "laudable" that United plans to offer out-of-band signalling as a non-chargeable option. However, MCI considers the technical specifications in Transmittal 300 to be unreasonably vague. According to MCI, United does not state specifically that it will offer out-of-band signalling under the terms and conditions outlined in the Bell Communications Research (Bellcore) Technical Publication for SS7-related services, TR-TSV-000905, or that it will follow certain technical standards, such as those established by the American Network Standards Institute (ANSI).⁴ MCI asserts that it is not clear whether United will provide Charge Number, Originating Line Information, or the Carrier Identification Code. MCI Petition at 3. United responds that its tariff language is sufficient to explain that out-of-band signalling will be offered under the terms and conditions of the referenced technical publication. United Reply at 3. United asserts that its Common Channel Signalling technical standards are explained in Section 6.1.3. of its tariff. Id. United asserts that Charge Number and Originating Line Information will be available, and that it does not understand what MCI is referring to with respect to the CIC parameter. United also maintains that if these parameters were absent, that would not justify rejection or suspension of Transmittal 300. Id. at 3-4.

4. MCI criticizes United's requirement that interexchange carriers (IXCs) interconnect to its network only at STPs, and requests that out-of-band signalling be made available with Feature Group B. MCI Petition at 3-4. United argues that it cannot permit CCS interconnection at points other than STPs at this time for network security reasons, and it cannot offer out-of-band signalling with Feature Group B at this time because technical standards have yet to be developed. United Reply at 5.

5. Finally, MCI opposes the imposition of nonrecurring charges (NRCs) for installation of out-of-band signalling and the Calling Party Number and Carrier Selection Parameter optional features. MCI requests that these NRCs be eliminated, or at least waived for the initial migration of a customer from multifrequency signalling to out-of-band signalling. MCI Petition at 4. MCI claims the Calling Party Number and Carrier Selection Parameter NRCs are especially unreasonable, because MCI believes United will recover the costs associated with installation of Calling Party Number and Carrier Selection Parameter through recurring rates. Id. at 4-5. United argues that its NRCs

⁴ MCI Petition at 2-3. In its reply to MCI's petition against Transmittal 300, United maintains that it was granted a waiver of Section 61.74(a) in November 1991 in order to refer to Technical Publication TR-TSV-000905 in connection with United's LIDB tariff filing. Under the terms of that waiver, according to United, no additional technical specifications are required. United Reply at 2. On September 24, 1992, however, United requested a waiver of Section 61.74 of the Commission's Rules, 47 C.F.R. § 61.74, to refer to this technical publication in Transmittal 300. The technical publication at issue here is the same as that for which we granted a waiver of Section 61.74 in the LIDB context. As in that context, we conclude that United has provided good cause for waiver, within the meaning of Section 1.3 of the Commission's Rules.

are reasonable, and necessary to insure that its costs are recovered from the cost causers. United Reply at 5-6.

III. DISCUSSION

6. The Common Carrier Bureau has reviewed the United transmittal, MCI's petition, and United's reply. We conclude that no compelling argument has been presented that the out-of-band signalling offering is patently unlawful so as to warrant rejection, or that an investigation of that offering is warranted at this time.⁵

7. We will, however, investigate United's CCS interconnection charges. Transmittal 300 raises substantial questions of law and fact which require further investigation to determine whether the rate levels are excessive and whether the terms and conditions are reasonable. Accordingly, we suspend Transmittal 300 for one day in order to investigate United's CCS Interconnection Charge. Transmittal 300 will therefore become effective on October 14, 1992, following a one-day suspension, subject to an accounting order to facilitate any refunds that later prove necessary.

8. We will investigate the following issues:

(1) Bell Communications Research, Inc., (Bellcore) has developed a cost model called "Common Channel Signalling Cost Information System" (CCSCIS). To the extent United relied on CCSCIS to develop its rates, it must explain why use of such a model is appropriate.

(2) To the extent United did not use CCSCIS to allocate investment, it should fully explain how it identified the plant used to provide CCS Interconnection service.

(3) United should provide total investment underlying each rate element of its CCS Interconnection service and identify the accounts established by Part 32 of the Commission's Rules, 47 C.F.R. Part 32, in which these investments are recorded.

(4) United should identify and fully document all factors applied to the investment identified to above develop the rates, cross-referencing to Automated Reporting Management Information System (ARMIS) data where possible.

⁵ United's Transmittal 300 is similar to other out-of-band signalling tariffs we have allowed to go into effect in the past. See BellSouth Telephone Companies, 5 FCC Rcd 7619 (Com.Car.Bur. 1990); Bell Atlantic Telephone Companies, 6 FCC Rcd 2907 (Com.Car.Bur. 1991); NYNEX Telephone Companies, 6 FCC Rcd 4283 (Com.Car.Bur. 1991); Centel Telephone Companies, 6 FCC Rcd 5144 (Com.Car.Bur. 1991); Pacific Bell, 6 FCC Rcd 6069 (Com.Car.Bur. 1991). Specifically, Southwestern Bell imposes separate non-recurring charges for Calling Party Number, Carrier Selection Parameter, and other parameters. Southwestern Bell Telephone Company, 7 FCC Rcd 3456 (Com.Car.Bur. 1992).

IV. PROCEDURAL MATTERS

A. Filing Schedules

9. This investigation will be conducted as a notice and comment proceeding to which the procedures set forth in this Order shall apply. We require United to file a direct case addressing each issue designated above no later than **November 16, 1992**. Moreover, the direct case must supply all information upon which United relies to support its position. Pleadings responding to the direct case may be filed no later than **December 16, 1992**, and must be captioned "Opposition to Direct Case" or "Comments on Direct Case." United may file a "Rebuttal" to oppositions or comments no later than **January 4, 1993**.

10. An original and seven copies of all pleadings must be filed with the Secretary of the Commission. In addition, one copy must be delivered to the Commission's commercial copying firm, Downtown Copy Center, Room 246, 1919 M Street, N.W., Washington, D.C. 20554. Also, one copy must be delivered to the Tariff Division, Room 518, 1919 M Street, N.W., Washington, D.C. 20554. Members of the general public who wish to express their views in an informal manner regarding the issues in this investigation may do so by submitting one copy of their comments to the Secretary, Federal Communications Commission, 1919 M Street, N.W., Room 222, Washington, D.C. 20554. Such comments should specify the docket number of this investigation.

11. All relevant and timely pleadings will be considered by the Commission. In reaching a decision, the Commission may take into account information and ideas not contained in pleadings, provided that such information or a writing containing the nature and source of such information is placed in the public file, and provided that the fact of reliance on such information is noted in the order.

B. Ex Parte Requirements

12. Ex parte contacts (i.e., written or oral communications which address the procedural or substantive merits of the proceeding which are directed to any member, officer, or employee of the Commission who may reasonably be expected to be involved in the decisional process in this proceeding) are permitted in this proceeding until the commencement of the Sunshine Agenda period. The Sunshine Agenda period terminates when a final order is released and the final order itself is issued. Written ex parte contacts and memoranda summarizing oral ex parte contacts must be filed on the day of the presentation with the Secretary and Commission employees receiving each presentation. For other requirements, see generally Section 1.1200 et seq. of the Commission's Rules, 47 C.F.R. §§ 1.1200 et seq.

C. Paperwork Reduction Act

13. The investigation established in this order has been analyzed with respect to the Paperwork Reduction Act of 1980 and found to contain no new or modified form, information collection, or recordkeeping, labeling, disclosure or other record retention requirements as contemplated under the statute. See 44 U.S.C. § 3502(4)(A).

V. ORDERING CLAUSES

14. Accordingly, IT IS ORDERED that the petition for waiver of Section 61.74 of the Commission's Rules, 47 C.F.R. § 61.74, filed by United Telecommunications, Inc., IS GRANTED.

15. IT IS FURTHER ORDERED that the petition for rejection or suspension and investigation filed by MCI Telecommunications, Inc., against United Telecommunications, Inc., Tariff F.C.C. No. 5, Transmittal No. 300, IS GRANTED, to the extent indicated above.

16. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. § 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, United Telecommunications, Inc., Transmittal No. 300, IS SUSPENDED for one day and an investigation of the referenced tariff transmittal IS INSTITUTED.

17. IT IS FURTHER ORDERED that United Telecommunications, Inc., SHALL FILE tariff revisions reflecting this suspension no later than 10 days from the release date of this order. For these purposes, we waive Sections 61.58 and 61.59 of the Commission's Rules, 47 C.F.R. §§ 61.58, 61.59, and assign Special Permission No. 92-705.

18. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. § 204(a), United Telecommunication, Inc. shall keep accurate account of all amounts received by reason of the rates that are the subject of this investigation.

FEDERAL COMMUNICATIONS COMMISSION



Cheryl A. Tritt
Chief, Common Carrier Bureau